

Backgrounder

The General Assessment

The General Assessment (GA) is a new tool that will support the management of funding agreements. The tool was designed, in part, to respond to the requirement in the government-wide *Policy on Transfer Payments* that there be a more citizen-focused, risk-based approach to how we manage transfer payments.

The GA tool works by taking an annual “snapshot” of the funding recipient’s past performance and identifies strengths and emerging risks that may have an impact on its future performance. In the GA process each funding recipient is assessed and rated as to having either a “low”, “medium” or “high” level of risk. Once through the process, each recipient will receive a rating along with reasons for the rating and recommendations, where needed, for managing significant risk. All recipients will go through the GA process including new applicants.

Elements that will be assessed in the GA include:

- Operating environment
- Governance
- Planning
- Financial management
- Program management

Results of the GA assessment will help shape:

- Duration of funding agreements
- Monitoring regimes that will be employed
- Reporting
- Capacity assets and gaps
- Audit arrangements

A standard approach will be used for all recipients to ensure policy requirements are met, that recipients are treated in a consistent manner and that interactions between the Department and the funding recipient are facilitated.

